

*Annual Report of*  
**Matachewan Consolidated Mines,  
Limited**



*For the Year Ended December 31, 1976*

ANNUAL MEETING JUNE 14, 1977

# Matachewan Consolidated Mines, Limited

## DIRECTORS

PAUL H. McCLOSKEY  
H. P. McCLOSKEY  
A. D. HELLENS  
D. W. FALCONER  
R. DUNCAN McCLOSKEY

## OFFICERS

*President* ..... PAUL H. McCLOSKEY  
*Vice-President* ..... H. P. McCLOSKEY  
*Secretary* ..... D.W. FALCONER  
*Treasurer* ..... S. CZARNECKI

## TRANSFER AGENT AND REGISTRAR

CROWN TRUST COMPANY, Toronto, Ontario

## AUDITORS

JORDAN AND JORDAN, Toronto, Ontario

## HEAD OFFICE

Room 1110, 55 Yonge St., Toronto, Ont. M5E 1J4

The Annual Meeting of the Shareholders of the Company will be held in the Head Office, Suite 1110-55 Yonge St., Toronto, on Tuesday, June 14, 1977, at the hour of 9:30 o'clock in the forenoon (Toronto Time).

# Matachewan Consolidated Mines, Limited

## *Directors' Report*

### TO THE SHAREHOLDERS:

Your Directors submit the Annual Report including the Auditors' financial statement, covering the year ended December 31st, 1976.

There were no significant changes in the overall position of the Company in the 1976 fiscal year.

No specific exploration or development projects were engaged in during the year.

At the time of writing this report a routine mapping and exploration project was started.

On behalf of the Board,

P. H. McCLOSKEY,  
President.

Toronto, Ontario,  
May 5th, 1977.

# Matachewan Consolidated Mines, Limited

(Incorporated under the laws of Ontario)

## Balance Sheet - December 31, 1976

(with comparative figures)

### ASSETS

	1976	1975
<b>Current Assets:</b>		
Balance in Bank	\$ 3,295	\$ 3,787
Short-term Deposits	\$ 56,000	\$ 70,500
Add: Accrued interest	176	56,176
Marketable Securities, at cost		—
(Market Value - 1975 - \$91,200)	—	78,981
	<u>59,471</u>	<u>153,268</u>
 <b>Investments (At Cost)</b>		
Securities having a quoted Market Value (1976 - \$148,348, 1975 - \$85,006)	282,133	191,702
Securities not having a quoted Market Value, less amounts written off	2,694	284,827
	<u>2,694</u>	<u>2,696</u>
Deferred Exploration Expenses	2,894	—
 <b>Mining Properties:</b>		
Mining Claims	41,003	41,003
Property and Equipment	1	1
	<u>41,004</u>	<u>1</u>
	<u>\$388,196</u>	<u>\$388,670</u>

(See accompanying notes)

AUDITORS

To The Shareholders of  
Matachewan Consolidated Mines, Limited  
Suite 1110 - 55 Yonge Street,  
Toronto, Ontario

Gentlemen:

We have examined the Balance Sheet of Matachewan Consolidated Mines, Limited, as at December 31, 1976, and the results of its operations for the year ended on that date.

In our opinion, the accompanying Balance Sheet and the related Statement of Income and Expenses for the year ended December 31, 1976, and the results of its operations for the year ended on that date, present fairly the financial position of Matachewan Consolidated Mines, Limited, as at December 31, 1976, and the results of its operations for the year ended on that date.

# ated Mines, Limited

laws of Ontario)

ember 31, 1976

(December 31, 1975)

## LIABILITIES AND SHAREHOLDERS' EQUITY

### Current Liabilities:

Accounts Payable			428
Accrued Liabilities		900	
		<u>900</u>	<u>428</u>

### Shareholders' Equity

#### Capital

##### Authorized

7,000,000 Common Shares  
No Par Value

##### Issued

5,925,150 Shares	1,179,455	1,179,455	
Less: Deficit	<u>791,157</u>	<u>387,396</u>	<u>791,247</u>
	<u>3388,146</u>	<u>386,196</u>	<u>5586,370</u>

On behalf of the Board:

P.H. McCLOSKEY Director

R.D. McCLOSKEY Director

ing notes)

## REPORT

ited as at December 31, 1976 and the Statements of Deficit and Income for the procedures and such tests of accounting records and other supporting evidence as

of Deficit and Income present fairly the financial position of the company as at accordance with generally accepted accounting principles.

Respectfully submitted,

JORDAN AND JORDAN  
Chartered Accountants

# Matachewan Consolidated Mines, Limited

## *Statement of Income*

**FOR THE YEAR ENDED DECEMBER 31, 1976**  
 (with comparative figures at December 31, 1975)

	<u>1976</u>	<u>1975</u>
<b>Income:</b>		
Interest Income .....	\$ 6,463	\$ 8,468
Dividends Received .....	6,512	5,218
Sundry Income .....	—	1,780
	<u>12,975</u>	<u>15,466</u>
<b>Expenses:</b>		
Office and Corporate Expenses .....	8,341	9,121
Licences and Taxes .....	2,342	2,369
Professional Fees .....	2,711	2,528
Ontario Capital Tax .....	107	89
	<u>13,501</u>	<u>14,107</u>
Income (Loss) Before Gain on Sale of Investments .....	(526)	1,359
One Half of Gain on Sale on Investments .....	236	260
Net Income (Loss) .....	<u><u>\$ (290)</u></u>	<u><u>\$ 1,619</u></u>

No provision has been made for income taxes because of Losses carried forward.

# Matachewan Consolidated Mines, Limited

## *Statement of Deficit*

**FOR THE YEAR ENDED DECEMBER 31, 1976**  
 (with comparative figures at December 31, 1975)

	1976	1975
<b>Deficit</b>		
Balance at Debit—January 1, .....	\$791,506	\$793,125
<b>Add:</b> Transfer to Capital Dividend Account .....	6,025	
Write-off of Investments .....	2	
Non-Business Foreign Tax Credit .....	734	
	6,761	
<b>Less:</b> Net Income (Loss) .....	(290)	1,619
	<u>798,557</u>	<u>1,619</u>
<b>Capital Dividend Account</b>		
Balance at Credit — January 1,.....	259	—
<b>Add:</b> Transfer from Deficit .....	6,025	
One Half of Gain on Sale of Investments .....	236	259
	6,261	
	6,520	259
<b>BALANCE AT DEBIT — DECEMBER 31,.....</b>	<u><u>\$792,037</u></u>	<u><u>\$791,247</u></u>

# Matachewan Consolidated Mines, Limited

## STATEMENT OF SOURCE AND USE OF FUNDS

FOR THE YEAR ENDED DECEMBER 31, 1976  
(with comparative figures at December 31, 1975)

	<u>1976</u>	<u>1975</u>
<b>Source of Funds:</b>		
Non-Taxable Capital Gain .....	<u>236</u>	<u>259</u>
<b>Use of Funds:</b>		
Net Loss (Income) .....	290	(1,619)
Transfer to Long Term Investments .....	90,431	—
Deferred Exploration Expenses .....	2,894	—
Purchase of Mining Claims .....	—	500
Tax Deducted at Source on Foreign Income .....	734	—
	<u>94,349</u>	<u>(1,119)</u>
Increase (Decrease) in Working Capital .....	<u>(94,113)</u>	<u>1,378</u>
Working Capital — January 1, .....	<u>152,784</u>	<u>151,406</u>
Working Capital — December 31, .....	<u>\$ 58,671</u>	<u>\$152,784</u>

To the Shareholders of  
Matachewan Consolidated Mines Limited

## NOTE TO THE FINANCIAL STATEMENTS

**NOTE 1.** Some 1975 figures have been reclassified to conform with presentation adopted in 1976.